IN THE SPECIFICATION

Please amend the specification as follows:

Please make following amendments to paragraph [0028]:

-- FIG. 6 illustrates a process at 328 for verifying an account number and serial number in accordance with one embodiment of the present invention. In FIG. 6, user 100 enters information into the enrollment applet, as shown in step 330. The enrollment applet thereafter creates a second secure connection 170 between the user 100 and the second server 160. User 100 selects and enters a PIN code or password, into the enrollment applet, which the enrollment applet encrypts with the public key that was sent to the first server 120, as shown in step 335. The enrollment applet then links the encrypted PIN code or password with the account number and serial number that was received from the first server and sends the linked data to the second server or the enrollment and authorization server 160 over the second secure connection 170, as shown in step 340. The second server 160 encrypts the linked data using the second set of authentication keys and thereafter sends the encrypted linked data over connection 145 to the host application 150, as shown in step 345. In step 350, the host application 150 decrypts the linked data and verifies the account number and the serial number. Each of the encryption and decryption steps are performed by the encryption/decryption engine 190 (FIG. 3). --

Please make the following amendment to paragraph [0029]:

-- Referring now to FIG. 7, the host application 150 makes the determination of whether the account number and serial number are the same as the account number and serial number that were transferred to the first server 120, as shown in step 355. If the numbers do not match, there is a possible security breach and the process is aborted, as shown in step 360.

In addition, notification may be sent to a host administrator allowing for appropriate action to be taken. Moreover, a notification may be sent to the user to inform him or her about a possible security problem.